

Iowa
**Vocational
Rehabilitation**
Services

Finding solutions. Generating success.

*Stephen A. Wooderson, Administrator
Matthew Coulter, Chief Financial Officer*



Who is IVRS?

- A division of the Iowa Department of Education
- Two service bureaus; One administrative bureau:
 - Rehabilitation Services Bureau, Ms. Kenda Jochimsen, Chief
 - Vocational Rehabilitation (employment) program
 - Disability Determination Services Bureau, Mr. Tom Floren, Chief
 - Social Security disability benefits adjudication
 - Administrative Services Bureau, Mr. Keith Hyland, Chief
 - Division support services
- DDS is federally funded; not directly impacted by state appropriations
- RSB/ASB budget impacted by state appropriations



Questions to be answered

- What non-federal funds are required to match all federal dollars?
- How is IVRS spending the funds available?
- What actions are being taken to reduce the waiting lists?
- What is IVRS doing to operate efficiently and bring down the caseload?



What non-federal funds are required to match all federal dollars?

IVRS Non-Federal Funding

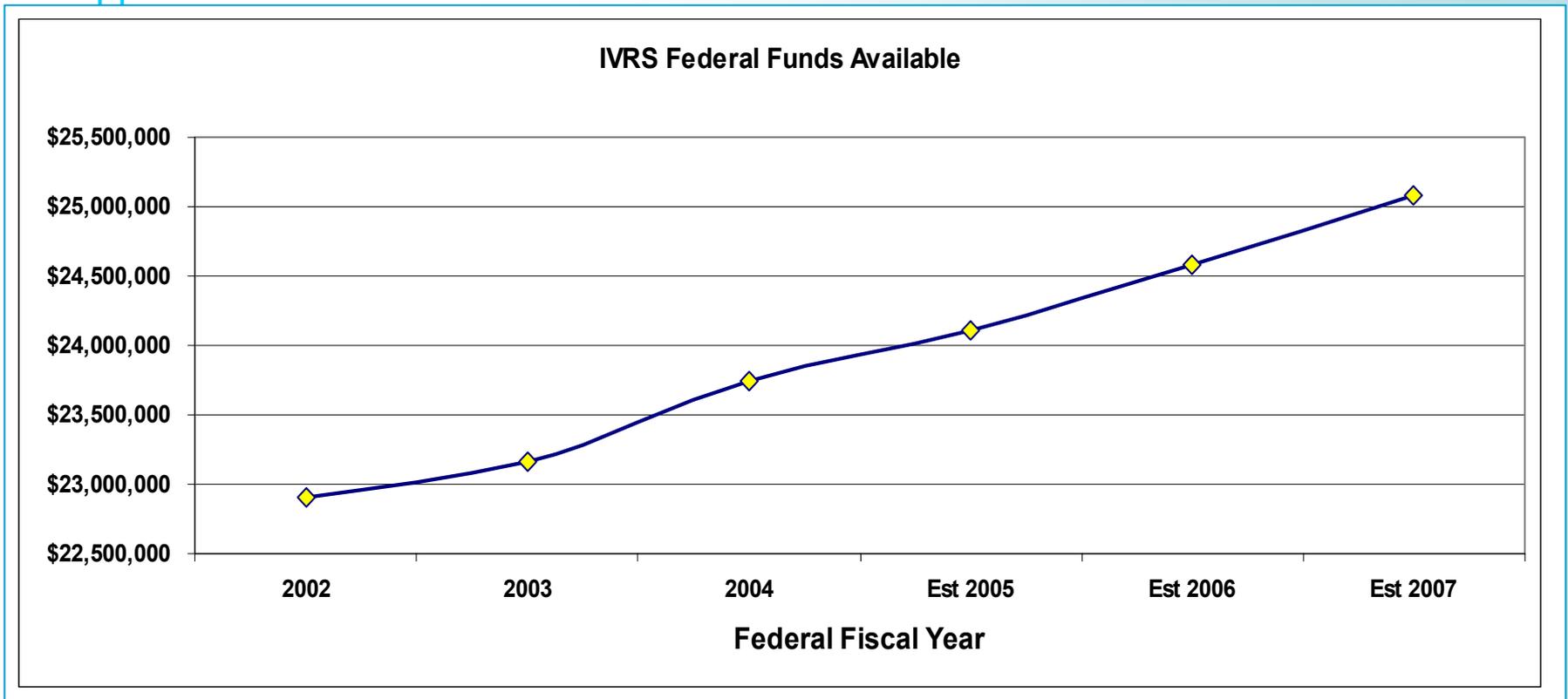


■ State Appropriation Match ■ Total Third Party Match ■ Non-Federal Match Deficit

Federal Fiscal Year



What non-federal funds are required to match all federal dollars?





What non-federal funds are required to match all federal dollars?

- To earn all federal funds, IVRS must match at a ratio of ~20:80
- IVRS did not match/earn all federal dollars in **FFY 2004**
 - \$2,040,521 federal dollars were returned to the feds due to match shortage of \$552,263
 - Total loss: $\$2,040,521 + 552,263 = \mathbf{\$2,592,784}$
 - Approximately 2,430 more lowans with disabilities could have been served if IVRS had earned all federal funds



What non-federal funds are required to match all federal dollars?

- IVRS estimates in **FFY 2005** we will be unable to match/earn all federal dollars:
 - We project a total match shortage of approximately \$170,000. This would earn an additional \$800,000
 - Total loss $\$170,000 + 630,000 = \mathbf{\$800,000}$
 - Approximately 730 additional Iowans with disabilities could be served if IVRS earned all federal funds
 - FFY 2005 shortage is **HELPED** by a one-time appropriation of \$303,632 to renovate the Parker Building in Des Moines



What non-federal funds are required to match all federal dollars?

- IVRS estimates in **FFY 2006** we will be unable to match/earn all federal dollars:
 - We project a total match shortage of approximately \$640,000. This would earn an additional \$2,360,000
 - Total loss $\$640,000 + 2,360,000 = \mathbf{\$3,000,000}$
 - Approximately 2,650 additional Iowans with disabilities could be served if IVRS earned all federal funds



SUMMARY

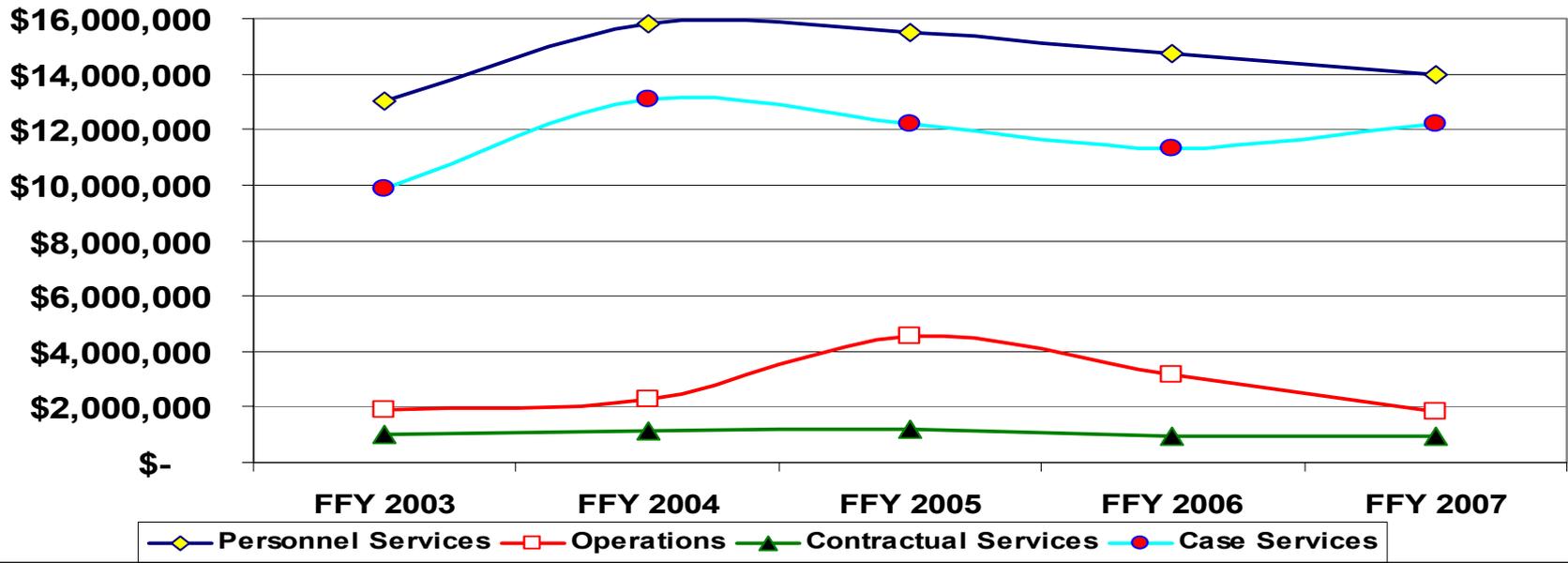
What non-federal funds are required to match all federal dollars?

- FFY 2004: IVRS turned back \$2,040,521 to the feds due to match shortage of \$552,263
- FFY 2005: IVRS projects \$170,000 non-federal match shortage
- FFY 2006: IVRS projects \$640,000 non-federal match shortage
- FYI – Federal funds are increasing at approximately 2% per year
- Approximately 25% of our non-federal match requirement is coming from third party sources (state agencies, schools, counties)
 - Iowa has the highest % of third party match of any state of comparable size
 - Iowa has the 5th highest % of any VR agency (CA, AL, IL, MI)



How is IVRS spending the funds available?

Sustainability Chart 2





How is IVRS spending the funds available?

- First priority is to serve maximum possible Iowans with disabilities
 - Approximately 130 counselors serve approximately 14,000 Iowans with disabilities, in addition to managing a waiting list of another 2,750
 - Annual average expenditure is approximately \$1,100 per client



How is IVRS spending the funds available?

- Two additional “big ticket” expenditures during FFY 2005:
 - Iowa Rehabilitation Services System;
 - Replaces aging mainframe case management system
 - Renovation to the Parker Building;
 - Will consolidate IVRS staff into one building so other state agencies can occupy vacant space



How is IVRS spending the funds available?

■ Cost savings activities:

- Span of control has increased from 1: 12 in SFY 2002 to 1: 14
- Redefined support roles to more accurately utilize skills of the VR Counselor
- Reduced network connectivity costs by \$120,000 per year since January of 2003
- IVRS sustainability model helps our ability to react to increase/decrease in revenues and project future expenditures



What actions are being taken to reduce the waiting lists?

- IVRS maintains 3 waiting lists
 - Most Significantly Disabled (MSD)
 - Significantly Disabled (SD)
 - Non-significantly Disabled
- By federal mandate, all eligible Iowans with disabilities that are classified as MSD must be served before any persons classified as SD can be served
- All eligible Iowans with disabilities that are classified as SD must be served before any persons that are classified as Non-significantly Disabled



What actions are being taken to reduce the waiting lists?

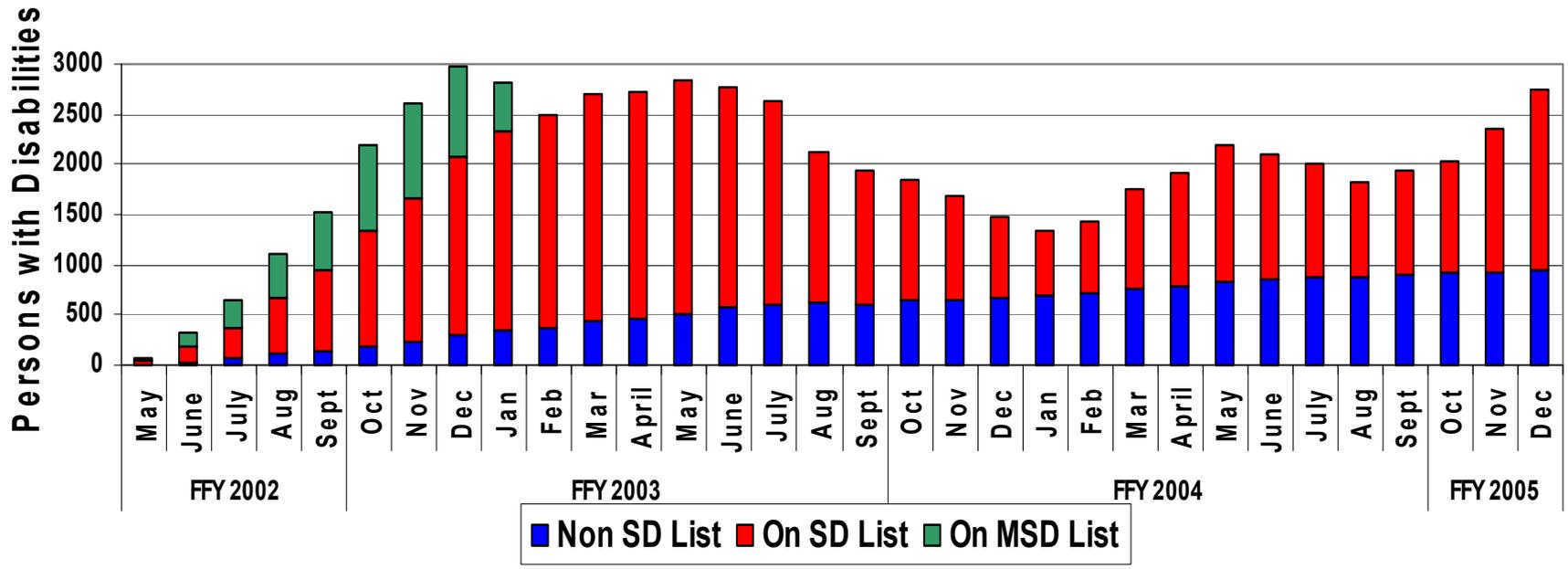
- IVRS does not control the waiting list; we only control the number of persons being moved off the waiting list into active service
- Waiting lists were imposed in May 2002
- All MSD are being served upon referral as of February of 2003
- The SD list currently contains about 1800 Iowans with disabilities
- The Non-significantly Disabled waiting list currently contains about 950 persons; no individuals have been taken off this list since its implementation

Even if fully matched, we expect there would still be a waiting list for the Non-significantly Disabled



What Actions are being taken to reduce the waiting lists?

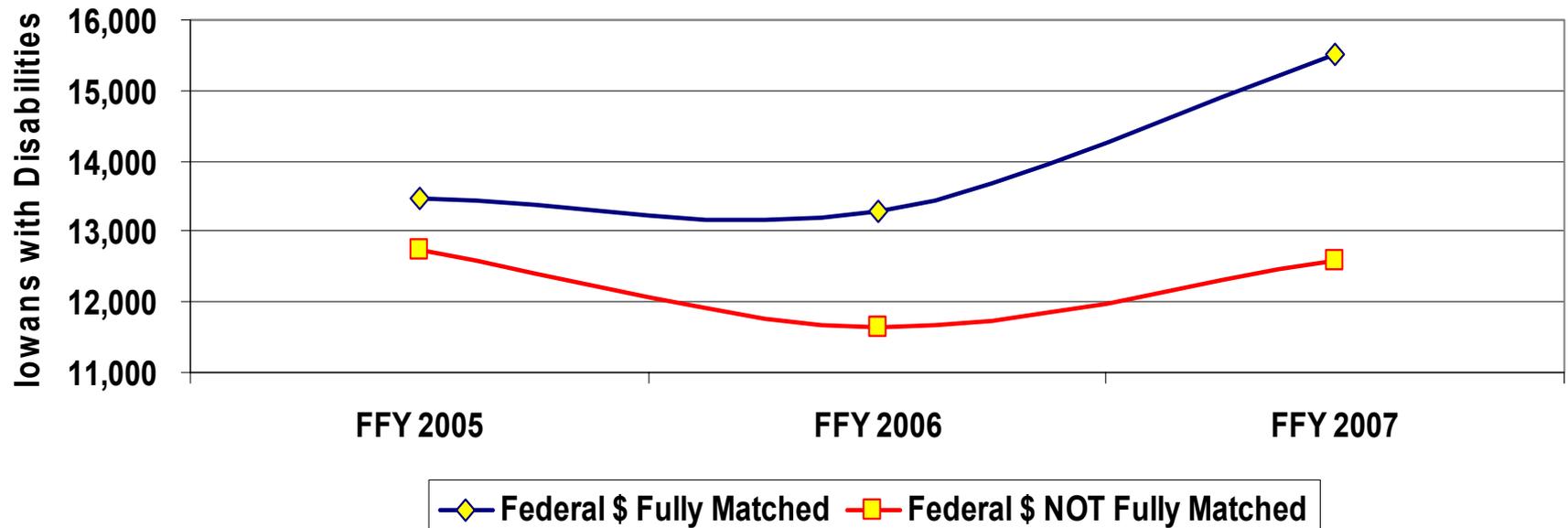
IVRS Waiting List





What Actions are being taken to reduce the waiting lists?

IVRS Active Caseload Estimates





What is IVRS doing to operate efficiently and bring down the caseload?

- IVRS has built and is constantly testing our sustainability model:
 - Factors in all sources of revenues and projections for expenditures
 - Allows for adjustments to more than 2 dozen variables
 - Is reviewed monthly by Administrator, CFO and Budget Team
 - Based upon sustainability model, each month a decision is made as to how many persons are released off the waiting list



Return on investment

- IVRS put 2113 persons into competitive employment in FFY 2004
- In the first year these lowans will earn \$34,400,000
- The State of Iowa will save almost \$1m in public assistance the first year
- The return in earnings on each \$100 spent is \$251



Thank You

■ Final Summary:

- IVRS is short \$170,000 in match funds for FFY 2005
- IVRS projects being short \$640,000 in match funds for FFY 2006

